

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

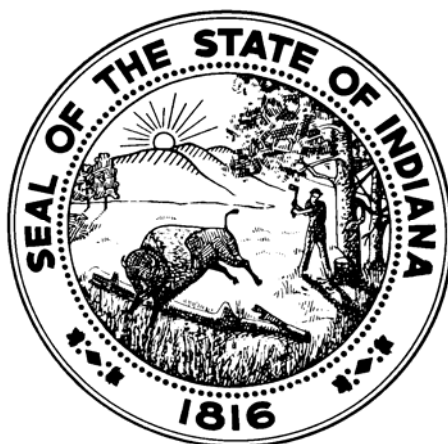
EXAMINATION REPORT

OF

CARTER FIRE DISTRICT

SPENCER COUNTY, INDIANA

April 21, 1998 to December 31, 2006



**FILED**

03/12/2007



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## OFFICIALS

### Office

### Official

### Term

President of the Board

Darrel Jenkins  
Kenneth Schaaf

04-21-98 to 06-30-06  
07-01-06 to 12-31-07

Treasurer

John H. Braun

04-21-98 to 12-31-07



# STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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## INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF CARTER FIRE DISTRICT, SPENCER COUNTY, INDIANA

We have examined the financial information presented herein of Carter Fire District (District), for the period of April 21, 1998 to December 31, 2006. The District's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the District for the years ended December 31, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

February 8, 2007

CARTER FIRE DISTRICT  
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES  
ALL GOVERNMENTAL FUND TYPES  
As Of And For The Years Ended December 31, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005 And 2006

Governmental Funds:	Cash and Investments 4-21-98	Receipts	Disbursements	Cash and Investments 12-31-98
General	\$ -	\$ 12,170	\$ 10,337	\$ 1,833
Governmental Funds:	Cash and Investments 01-01-99	Receipts	Disbursements	Cash and Investments 12-31-99
General	\$ 1,833	\$ 134,013	\$ 119,783	\$ 16,063
Governmental Funds:	Cash and Investments 01-01-00	Receipts	Disbursements	Cash and Investments 12-31-00
General	\$ 16,063	\$ 161,682	\$ 127,203	\$ 50,542
Governmental Funds:	Cash and Investments 01-01-01	Receipts	Disbursements	Cash and Investments 12-31-01
General	\$ 50,542	\$ 78,449	\$ 75,923	\$ 53,068
Governmental Funds:	Cash and Investments 01-01-02	Receipts	Disbursements	Cash and Investments 12-31-02
General	\$ 53,068	\$ 106,494	\$ 67,357	\$ 92,205
Governmental Funds:	Cash and Investments 01-01-03	Receipts	Disbursements	Cash and Investments 12-31-03
General	\$ 92,205	\$ 67,362	\$ 61,854	\$ 97,713
Governmental Funds:	Cash and Investments 01-01-04	Receipts	Disbursements	Cash and Investments 12-31-04
General	\$ 97,713	\$ 224,652	\$ 194,055	\$ 128,310
Governmental Funds:	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
General	\$ 128,310	\$ 226,857	\$ 148,943	\$ 206,224
Governmental Funds:	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
General	\$ 206,224	\$ 107,510	\$ 166,356	\$ 147,378

The accompanying notes are an integral part of the schedules.

CARTER FIRE DISTRICT  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The District was established under the laws of the State of Indiana. The District provides the following services: public safety and general administrative services.

Note 2. Fund Accounting

The District uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the District in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the District on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depositary Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the District to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

CARTER FIRE DISTRICT  
EXAMINATION RESULTS AND COMMENTS

APPROPRIATIONS

The records presented for audit indicated the following expenditures in excess of budgeted appropriations:

<u>Fund</u>	<u>Years</u>	<u>Excess Amount Expended</u>
General	1999	\$ 119,783
General	2000	62,203
General	2001	75,923
General	2002	2,358
General	2004	4,081
General	2005	56,688
General	2006	69,611

Indiana Code 6-1.1-18-4 states in part: “. . . the proper officers of a political subdivision shall appropriate funds in such a manner that the expenditures for a year do not exceed its budget for that year as finally determined under this article.”

BOARD MINUTES

Not all minutes of meetings of the governing body were available for audit. No minutes were presented for 2003 or 2005 and minutes for only one meeting were presented for 2002.

Indiana Code 5-14-1.5-4(b) states “As the meeting progresses, the following memoranda shall be kept:

- (1) The date, time, and place of the meeting.
- (2) The members of the governing body recorded as either present or absent.
- (3) The general substance of all matters proposed, discussed, or decided.
- (4) A record of all votes taken, by individual members if there is a roll call.
- (5) Any additional information required under IC 5-1.5-2-2.5 or IC 20-12-63-7.”

OFFICIAL BOND

The following official was not bonded and no bond was filed in the Office of the County Recorder:

John H. Braun, Treasurer

Indiana Code 5-4-1-5.1(b) states in part: “Every elected or appointed officer, official, deputy, or employee of a political subdivision . . . shall file the bond in the office of the county recorder. . . .”



CARTER FIRE DISTRICT  
EXIT CONFERENCE

The contents of this report were discussed on February 8, 2007, with Kenneth R. Schaaf, President of the Board; John H. Braun, Treasurer; Murray Stout, Bookkeeper; and Frank Daunhauer, Fire Chief. The officials concurred with our findings.